## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

LS 6747 NOTE PREPARED: Feb 15, 2011 BILL NUMBER: HB 1130 BILL AMENDED: Feb 14, 2011

**SUBJECT:** Opportunity to Correct Violation.

FIRST AUTHOR: Rep. Koch BILL STATUS: As Passed House

FIRST SPONSOR: Sen. Gard

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill imposes a duty on an agency under certain circumstances to give a person an opportunity to correct an alleged violation of law that is discovered in an inspection.

Effective Date: July 1, 2011.

**Explanation of State Expenditures:** (Revised) This bill requires all state agencies in the executive department to notify alleged violators about possible violations of rules discovered in inspections and provide an opportunity for the individuals to correct the violations under certain circumstances. The bill defines inspection as visual analysis or performance of tests undertaken to evaluate the operation, use, or condition of real or personal property.

If agencies discover violations of rules, the bill requires that the agencies notify the alleged violator(s) of the alleged violations and extend an offer to enter into a corrective plan. The bill provides that alleged violators be allowed reasonable amounts of time to review the agency's proposed corrective plan, and indicates that agencies do not need to offer more than 60 days to enter into a corrective plan with alleged violators. The bill also provides that documents associated with this bill will be considered public records.

**Explanation of State Revenues:** This bill could reduce the amount of civil penalties imposed by state agencies. Any reduction in civil penalties would depend upon whether civil penalties would have been imposed on violators absent the bill's provision to allow opportunities to correct violations. This impact is indeterminable.

## **Explanation of Local Expenditures:**

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## **Explanation of Local Revenues:**

State Agencies Affected: All executive branch agencies.

**Local Agencies Affected:** 

**Information Sources:** 

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